GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:6479
ANSWERED ON:09.05.2005
SMALL PHARMACEUTICAL UNITS
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total number of Small Scale Pharma units functioning in the country;

(b) the number of said units manufacturing drugs on contract basis;

(c) the number of said units marketing theirown products,generic and branded separately;

(d) the total value of production of branded and generics drugs;

(e) whether small pharmaceutical industry have a major role in meeting the National Pharmaceutical demand;

(f) if so, the contribution of said sector alongwith employment generation by them in the country as on date; and

(g) the steps taken by the Government to protect the interest of small scale pharma units both the formulation of bulk drugs and in new WTO regime?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN):

(a) Industry sources roughly estimate the number of small scale pharmaceutical units in the country to be around 8000.

(b) and (c) The registration of SSI units and issue of licences for manufacture of medicines is done by the State Governments concerned.

(d) According to the Indian Drugs Manufacturers Association, the estimated value of production of bulk drugs and formulations during the year 2004-2005 were Rs. 7779 crore and Rs. 27692 crore respectively.

(e)and (f) Small Scale Units operating in Pharmaceutical Sector play a major role in manufacturing formulations and generating employment. However, details of such nature and not monitored.

(g) Financial assistance is available for technology upgradation to small scale drug and pharmaceutical units under Credit Linked Capital Subsidy Scheme. For the tax relief, SSI units with a ceiling of Rs. 4 crores have two options: either full exemption on the first clearance of Rs. 1 crore or normal duty on the first clearance of Rs. 1 crore with CENVAT credit. Further, Small scale industry units are exempted from implementing prices for some of the formulations for which Government fixes prices under the provisions of the Drugs (Prices Control) Order, 1995, as per Gazette Notification S.O. No. 134 (E) dated 2nd March 1995.